

Message Text

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ACTION EB-11

INFO OCT-01 EA-11 ADP-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 CIEP-02

LAB-06 SIL-01 OMB-01 NSC-10 SS-15 STR-08 CEA-02 INT-08

SCEM-02 SCI-06 CEQ-02 EPA-04 RSR-01 AGR-20 AEC-11

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R 080430Z AUG 73

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 5874

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E.O.: N/A

TAGS: ETRD, EGEN, JA

SUBJECT: MITI REORGANIZATION AND PERSONNEL SHIFT

SUMMARY: MITI HAS COMPLETED ITS REORGANIZATION AND PERSONNEL SHIFTS. FOLLOWING ARE HIGHLIGHTS OF NEW STRUCTURE. END SUMMARY.

1. ON JULY 25 MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY OFFICIALLY ACCOMPLISHED ITS REORGANIZATION INTO EIGHT BUREAUS AND THREE AGENCIES. THIS IS FIRST MAJOR REORGANIZATION OF MITI SINCE IT WAS FORMED IN MAY 1952 FROM FORMER MINISTRY OF COMMERCE AND INDUSTRY. COINCIDENT WITH REORGANIZATION, NORMAL TWO-YEAR SHIFT OF MITI TOP-LEVEL BUREAUCRATS ALSO TOOK PLACE. TO FURTHER CONFUSE MATTERS, MITI AT SAME TIME MOVED STAFF FROM HALF OF ITS OLD BUILDING INTO NEWLY COMPLETED QUARTERS IN A NEW WING. OLD BUILDING WILL BE DEMOLISHED AND NEW 22 STORY BUILDING CONSTRUCTED ON SITE.

2. REORGANIZATION OF MITI, UNDERTAKEN AT INITIATIVE OF MITI

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ITSELF, HAS BEEN IN WORKS FOR OVER A

YEAR DURING WHICH TIME MAJORITY OF EFFORT WAS SPENT
IN OVERCOMING OPPOSITION TO REORGANIZATION BY CERTAIN ELEMENTS
WITHIN MITI. PLAN HAS BEEN STRONGLY SUPPORTED BY
MITI MINISTER NAKASONE WHO RECENTLY DESCRIBED RE-
ORGANIZATION AS QTE PUTTING NEW WINE IN NEW BOTTLES
UNQTE. ONCE INTRA- MINISTRY PROBLEMS SOLVED, RE-
ORGANIZATION SCHEME MOVED WITH RELATIVE EASE THROUGH
DIET.

3. IN DESCRIBING NEW STRUCTURE MITI OFFICIALS HAVE
CONCENTRATED HEAVILY ON NEED FOR REORGANIZATION TO
MEET DEMANDS OF 1970'S. NEW STRUCTURE IS AS FOLLOWS:
ADMINISTRATIVE VICE MINISTER - EIMEI YAMASHITA

MINISTER'S SECRETARIAT
CHIEF - MINORU MASUDA (ALSO MITI TRAINING INSTITUTE DIRECTOR)

INDUSTRIAL POLICY BUREAU
DIRECTOR GENERAL - YUGORO KOMATSU

INTERNATIONAL TRADE POLICY BUREAU
DIRECTOR GENERAL - TOSHINOBU WADE

TRADE BUREAU
DIRECTOR GENERAL - SHIGERU KOINO

INDUSTRIAL SITES AND PUBLIC NUISANCES BUREAU
DIRECTOR GENERAL - SHINTARO HAYASHI

MACHINE AND INFORMATION INDUSTRY BUREAU
DIRECTOR GENERAL - TAICHI SAITO

BASIC INDUSTRY BUREAU
DIRECTOR GENERAL - SHIRO IIZUKA

CONSUMER GOODS INDUSTRIES BUREAU
DIRECTOR GENERAL - RIICHI HASHIMOTO

RESOURCES AND ENERGY AGENCY
DIRECTOR GENERAL - EIJI YAMAGATA
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PATENT AGENCY
DIRECTOR GENERAL - HIDEO SAITO

MEDIUM AND SMALL ENTERPRISE AGENCY
DIRECTOR GENERAL - HIROSHI TOYAMA

INDUSTRIAL SCIENCE AND TECHNOLOGY AGENCY

DIRECTOR GENERAL - YOSHINOBU MATSUMOTO

3. MITI RATIONAL IN SUPPORT OF NEW STRUCTURE RUNS ALONG FOLLOWING LINES. NEW INTERNATIONAL TRADE POLICY BUREAU SET UP TO COVER ALL INTERNATIONAL TRANSACTIONS AND TO, IN EFFECT, REPLACE OLD INTERNATIONAL TRADE POLICY BUREAU AND TRADE AND DEVELOPMENT BUREAU. OBJECTIVE OF NEW BUREAU WILL BE TO PROMOTE SMOOTHER RELATIONS BETWEEN JAPAN AND OTHER COUNTRIES AS WELL AS TO BROADEN JAPAN'S EXTERNAL ECONOMIC RELATIONS. AT SAME TIME MITI FOUND IT NECESSARY TO ESTABLISH NEW TRADE BUREAU WHICH WILL OVERSEE ADMINISTRATION OF TRADE, WITH RESPONSIBILITY FOR IMPORT-EXPORT OPERATIONS AND EXPORT CREDITS AND WHICH WILL ACT AS COORDINATING CENTER TO ASSURE THAT ALL EXPORT-IMPORT PROCEDURES ARE CONSISTENT.

4. INDUSTRIAL POLICY BUREAU ESTABLISHED TO BRING TOGETHER IN ONE BUREAU RESPONSIBILITY FOR INDUSTRIAL, RETAIL, AND CONSUMER POLICIES. IN PAST MITI HAS BEEN SEVERELY CRITICIZED FOR DEVOTING TOO MUCH ATTENTION TO JAPANESE INDUSTRY AND TOO LITTLE TO NEEDS OF JAPANESE CONSUMER. STATED AIM OF THIS NEW BUREAU IS TO DEVELOP POLICIES IN ALL THREE AREAS OF ITS RESPONSIBILITY THAT ARE CONSISTENT WITH IMPROVEMENT OF NATIONAL WELFARE, IN PARTICULAR WHERE SUCH POLICIES DIRECTLY AFFECT LIFE OF JAPANESE PEOPLE.

5. INDUSTRIAL LOCATION AND ENVIRONMENTAL PROTECTION BUREAU ESTABLISHED IN RECOGNITION OF FACT THAT PROBLEMS OF INDUSTRIAL SITING AND POLLUTION CONTROLS HAVE BECOME PART OF SAME PACKAGE. MITI HAS HAD POLICY OF INDUSTRY RELOCATION OVER PAST FEW YEARS AND HAS ALSO HAD DEGREE OF RESPONSIBILITY FOR POLLUTION CONTROL. NEW BUREAU LIMITED OFFICIAL USE

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WILL BRING THESE RELATED FUNCTIONS UNDER ONE OVERALL BUREAU.

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6. MAJOR PART OF REORGANIZATION HAS BEEN BREAK-UP AND REGROUPING OF OLD INDUSTRY ORIENTED BUREAUS. THIS PARTICULAR PORTION OF REORGANIZATION PROBABLY CAUSED AS MUCH DIFFICULTY AS REST OF PLAN TAKEN TOGETHER. OLD INDUSTRY BUREAUS HAD OVER YEARS DEVELOPED EXTREMELY CLOSE WORKING RELATIONSHIPS WITH INDUSTRIES UNDER THEIR CONTROL. BOTH BUREAUCRATS AND INDUSTRY REPRESENTATIVES WERE RELUCTANT TO CHANGE FORMER COZY ARRANGEMENT FOR UNTESTED NEW ALIGNMENT. NUMBER OF BUREAUS REMAINS SAME, BUT INDUSTRIAL CONTENT OF EACH HAS BEEN ALTERED. BASIC INDUSTRIES BUREAU WILL HANDLE IRON, STEEL, CHEMICALS AND ALCOHOL. MACHINE AND INFORMATION INDUSTRY BUREAU WILL HAVE INDUSTRIAL MACHINERY, ELECTRONICS, INFORMATION PROCESSING, AUTOMOBILES, AIRCRAFT, WEAPONS, AND ROLLING STOCK. THIS BUREAU HAS BEEN PORTRAYED IN MITI ANNOUNCEMENTS AS BUREAU RESPONSIBLE FOR STRENGTHENING KNOWLEDGE INTENSIVE SECTOR OF JAPANESE INDUSTRY. CONSUMER GOODS INDUSTRIES BUREAU WILL OVERSEE TEXTILES, PAPER, CERAMICS, BUILDING MATERIALS, DAILY NECESSITIES, HOUSING, AND SPORTS, LUXURY AND LEATHER GOODS.

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7. RESOURCES AND ENERGY AGENCY HAS BEEN ESTABLISHED TO PROVIDE CENTRAL CONTROL BODY TO OVERSEE GOJ POLICIES IN THIS AREA. THERE HAS BEEN GOOD DEAL OF INFIGHTING AMONG VARIOUS MINISTRIES AS TO WHICH WILL TAKE LEAD IN ENERGY. WITH FORMATION OF NEW AGENCY MITI HAS CLEARLY ESTABLISHED ITS PRIMACY IN THIS AREA. CONSIDERATION

WAS GIVEN AT ONE TIME TO ATTEMPTING TO INCLUDE NUCLEAR ENERGY WITHIN SCOPE OF THIS NEW AGENCY. IDEA WAS REPORTEDLY ABANDONED BECAUSE OF CONSIDERABLE INTRA-MINISTRY CONFLICT OVER FINAL SHAPE OF NEW TABLE OF ORGANIZATION AND RELUCTANCE AT THAT TIME TO ENGAGE IN CONFLICT WITH OUTSIDE BODY.

8. IN ANNOUNCING NEW STRUCTURE, MITI STATED THAT IT INTENDED TO ESTABLISH POST OF DEPUTY VICE MINISTER FOR INTERNATIONAL TRADE AND INDUSTRY. SUCH A POSITION HAS NOT YET APPEARED ON TABLE OF ORGANIZATION, HOWEVER, HACHIRO MORIGUCHI, INTERNATIONAL TRADE AND INDUSTRY COUNCILLOR, WAS LISTED ABOVE DIRECTORS GENERAL OF FOUR AGENCIES IN RECENT PERSONNEL RESHUFFLE. POST OF DEPUTY VICE MINISTER FOR MITI WOULD PUT THAT MINISTRY ON PAR WITH FOREIGN OFFICE AND MINISTRY OF FINANCE WHICH PRESENTLY HAVE DEPUTY VICE MINISTERS FOR TRADE AND INTERNATIONAL MONETARY AFFAIRS RESPECTIVELY.

9. ONE INTERESTING ASPECT OF NEW MITI STRUCTURE IS THAT WITHOUT FANFARE, AND IN COURSE OF REORGANIZATION, MITI HAS REVERSED MANNER IN WHICH IT WILL HANDLE PRC AND ROC. PRIOR TO GOJ RECOGNITION OF PRC, ROC TRADE WAS HANDLED BY THIRD OVERSEAS MARKET DIVISION AND PRC TRADE WAS HANDLED BY THE SPECIAL MARKET POLICY OFFICE. FOLLOWING RECOGNITION OF PRC SPECIAL MARKET POLICY OFFICE BECAME FOURTH MARKET DIVISION. UNDER NEW STRUCTURE PRC WILL BE HANDLED BY NORTH ASIAN AFFAIRS DIVISION AND TRADE WITH PRC WILL BE HANDLED BY INTERNATIONAL TRADE POLICY BUREAU, GENERAL AFFAIRS DIVISION. NEW NORTH ASIAN AFFAIRS BUREAU WILL ALSO HANDLE NORTH AND SOUTH KOREA AND NORTH AND SOUTH VIETNAM.

10. NEW MITI STRUCTURE NOT EXPECTED HAVE ANY SIGNIFICANT IMPACT ON EMBASSY/MITI RELATIONS. WILL PROVIDE LIMITED OFFICIAL USE

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BIO-DATA AVAILABLE ON NEW TOP MANAGEMENT OF MITI THROUGH NORMAL BIO-DATA REPORTING CHANNELS.
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Message Attributes

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